

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6002

BILL NUMBER: HB 1474

DATE PREPARED: Nov 6, 2000

BILL AMENDED:

SUBJECT: Korean War veteran license plate.

FISCAL ANALYST: James Sperlik

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FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill creates a Korean War veteran license plate.

Effective Date: January 1, 2002.

Explanation of State Expenditures: There would be additional expenses for the Prison Enterprise Network (PEN Products), the manufacturing arm of prison-made products, to make these plates. Their charges to the Bureau of Motor Vehicles (BMV) would be based on the number of colors in the design as shown in the schedule below:

Colors	Set-Up Charges	Price Per Plate (99-01)
1	\$105	\$3.90
2	170	4.00
3	235	4.10
4	300	4.30
5	365	4.60
6	430	5.00

Additional charges include \$75 per color for any special colors that are not included in PEN's ten standard colors. If PEN Products does the artwork, there is a \$45 per hour charge. When the artwork is provided by the customer the set-up fee is \$17.50. Origination fees include the film positives and the silk screen charges. The fund affected for PEN Products is PEN Products Revolving Fund. The fund affected for the BMV is the Motor Vehicle Highway Account which supports the BMV. There will computer and accounting changes for the BMV.

Explanation of State Revenues: Potential revenue from the sales of the Korean War Veteran license plate is not known. There will be an administrative fee of \$12 charged for each plate. Revenue from this fee is

distributed as follows: the State License Branch Fund which supports the license branches receives \$6; the Motor Vehicle Highway Account which supports the BMV receives \$5; and \$1 is deposited into the Crossroads 2000 Program for highway bonding.

In 1999, sales of the existing 41 special plates ranged from 37 Marine Reserve plates to 76,264 Children's Trust Plates. Within this potential sales range, revenue resulting from the existing \$12 administrative fee would range from a minimum of \$444, to a maximum of \$915,168.

It should be noted that it is possible that sales of this special plate could, to some extent, supplant the sales of the other special plates. The newly created plate will be available after December 31, 2001.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Bureau of Motor Vehicles; Department of Correction (PEN Products).

Local Agencies Affected:

Information Sources: Bureau of Motor Vehicles; Becky Gillam, Director of Sales and Marketing of PEN Products, 388-8580; Pricing data from PEN Products.